

HOUSE HEALTH AND GOVERNMENT AFFAIRS COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 239

**49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

AN ACT

RELATING TO HEALTH INSURANCE; REQUIRING THAT HEALTH COVERAGE  
OPTIONS FOR CERTAIN STATE AND LOCAL PUBLIC EMPLOYEES AND THEIR  
COVERED DEPENDENTS INCLUDE COVERAGE PURSUANT TO THE MEDICAL  
CARE SAVINGS ACCOUNT ACT; REQUIRING THAT HEALTH COVERAGE  
OPTIONS FOR INDIVIDUALS INSURED BY THE PUBLIC SCHOOL INSURANCE  
AUTHORITY AND THEIR COVERED DEPENDENTS INCLUDE COVERAGE  
PURSUANT TO THE MEDICAL CARE SAVINGS ACCOUNT ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Group Benefits Act is  
enacted to read:

"[NEW MATERIAL] HEALTH COVERAGE REQUIREMENT--MEDICAL CARE  
SAVINGS ACCOUNT.--

A. Beginning with the open enrollment period for  
the 2010 plan year, the risk management division of the general

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underscored material = new  
[bracketed material] = delete

1 services department shall offer to employees and their covered  
2 dependents the option of receiving health care coverage through  
3 a high-deductible plan in conjunction with a medical care  
4 savings account pursuant to the provisions of the Medical Care  
5 Savings Account Act. The employee or covered dependent shall  
6 present evidence, in a manner that the risk management division  
7 has prescribed in rules established pursuant to Subsection B of  
8 this section, that the employee or covered dependent has  
9 established a medical care savings account in compliance with  
10 the Medical Care Savings Account Act and any rules that the  
11 risk management division has promulgated pursuant to that act.

12 B. The group insurance contributions of the state  
13 as well as employee contributions shall be made in equal  
14 proportions to the high-deductible plan and to the medical care  
15 savings account at a rate equaling the total premium cost of  
16 the lowest-cost major medical group health coverage option  
17 otherwise available to employees, provided that these  
18 contributions meet the contribution requirements pursuant to  
19 Sections 10-7-4 and 22-29-10 NMSA 1978.

20 C. The risk management division of the general  
21 services department shall promulgate rules for the  
22 administration and implementation of this section.

23 D. As used in this section, "covered dependent"  
24 means an individual who is eligible for coverage pursuant to  
25 the provisions of the Group Benefits Act on the basis of the

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1 individual's relationship to an employee."

2 Section 2. A new section of the Public School Insurance  
3 Authority Act is enacted to read:

4 "[NEW MATERIAL] HEALTH COVERAGE OPTION REQUIREMENT--  
5 MEDICAL CARE SAVINGS ACCOUNT.--

6 A. Beginning with the open enrollment period for  
7 the 2010 plan year, the authority shall offer to all  
8 subscribers and their covered dependents the option of  
9 receiving health coverage through a high-deductible plan in  
10 conjunction with a medical care savings account pursuant to the  
11 provisions of the Medical Care Savings Account Act. A  
12 subscriber or covered dependent who wishes to opt for coverage  
13 pursuant to the Medical Care Savings Account Act shall present  
14 evidence, in a manner that the authority has prescribed in  
15 rules promulgated pursuant to Subsection B of this section,  
16 that the subscriber has established a medical care savings  
17 account in compliance with the Medical Care Savings Account Act  
18 and any regulations that the insurance division of the public  
19 regulation commission has promulgated pursuant to that act.

20 B. The group insurance contributions of the  
21 authority as well as employee contributions shall be made in  
22 equal proportions to the high-deductible plan and to the  
23 medical care savings account at a rate equaling the total  
24 premium cost of the lowest-cost major medical group health  
25 coverage option otherwise available to employees, provided that

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1 these contributions meet the contribution requirements pursuant  
2 to Section 22-29-10 NMSA 1978.

3 C. The authority shall promulgate rules for the  
4 administration and implementation of this section.

5 D. As used in this section:

6 (1) "covered dependent" means an individual  
7 who is eligible for health coverage offered by the authority  
8 due to the individual's relationship to a subscriber; and

9 (2) "subscriber" means a public school  
10 employee, school board member, school board retiree or public  
11 school retiree participating in group health insurance offered  
12 by the authority."

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